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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 25, 2015

CERTIFIED RETURN RECEIPT
7014 2870 0001 4231 9234

Barry Peterson
Gold Star Stone, Inc.
1600 East Cottonwood
P.O. Box 62
Oakley, Idaho 83346

Subject: Proposed Assessment for State Notice of Violation MN-2015-17-08 Gold Star Stone, Inc., Lone Pine Quarry, M/003/0050, Box Elder County, Utah

Response Due Within 30 Days of Receipt

Dear Mr. Peterson:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the assessment officer for assessing penalties under R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced notice of violation). The Notice of Violation (NOV) was issued by Division inspector Lynn Kunzler on September 23, 2015. Rule R647-7-103 et. seq. has been utilized to determine the proposed penalty of \$2,200.00. The enclosed worksheet outlines how the civil penalty was assessed.

By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this NOV has been considered in determining the facts surrounding the violation and the amount of this penalty.

Under R647-7-106, there are two informal appeal options available to you. You may appeal the 'fact of the violation', the proposed civil penalty, or both. If you wish to informally appeal you should file a written request for an informal conference within thirty 30 days of receipt of this letter.

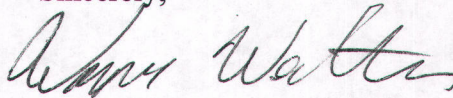


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Barry Peterson
M/003/0050
November 25, 2015

The informal conference will be conducted by a Division-appointed conference officer. The informal conference for the fact of the violation is distinct from the informal assessment conference regarding the proposed penalty. If you wish to review both the fact of the violation and proposed penalty assessment, you should file a written request for an assessment conference within thirty (30) days of receipt of this letter. In this case, the assessment conference will be scheduled immediately following the review of the fact of the violation.

If a timely request for review is not made, the fact of the violation will stand and the proposed penalty will become final and will be due and payable within thirty (30) days of the date of this proposed assessment (December 31, 2015). Please remit payment to the Division in care of Sheri Sasaki.

Sincerely,

A handwritten signature in dark ink, appearing to read "Wayne Western", written in a cursive style.

Wayne Western
Assessment Officer

WHW: eb

Enclosure: Proposed assessment worksheet

cc: Sheri Sasaki, Accounting
Vickie Southwick, Exec. Sec.

P:\GROUPS\MINERALS\WP\M003-BoxElder\M0030050-LonePine\non-compliance\MN-2015-17-08\Proposed Assessment Letter and Worksheet.doc

3. What is the extent of actual or potential damage:

Difficult to determine extent of damage due to lack of monitoring small animals or birds.

ASSIGN DAMAGE POINTS(RANGE 0-25) 12

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

PROVIDE AN EXPLANATION OF POINTS:

Midrange used because of lack of data.

B. ADMINISTRATIVE VIOLATIONS (Max 25pts)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? _____
Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS _____

PROVIDE AN EXPLANATION OF POINTS:

TOTAL SERIOUSNESS POINTS (A or B) 32

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

A. IF SO--NO NEGLIGENCE; or, , IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE. Point Range

No Negligence (Was this an inadvertent violation which was unavoidable by the exercise of reasonable care?) 0

Negligence (was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care?) 1-15

Greater Degree of Fault (was this a failure to abate any violation or was economic gain realized by the permittee?) 16-30

STATE DEGREE OF NEGLIGENCE _____

ASSIGN NEGLIGENCE POINTS 16

PROVIDE AN EXPLANATION OF POINTS:

The damage to the trailer could be considered an act of God, but failure to clean up the site since 2013 places a greater degree of fault on the Operator.

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

(Either A or B) (Does not apply to violations requiring no abatement measures, or violations not abated at the time of assessment)

Has Violation Been Abated?

No.

- A. **EASY ABATEMENT** (The operator had onsite, the resources necessary to achieve compliance of the violated standard within the permit area.)

Immediate Compliance

(Immediately following the issuance of the NOV)

Rapid Compliance

(Permittee used diligence to abate the violation.

Violation abated in less time than allotted.)

Normal Compliance

(Operator complied within the abatement period required,

or, Operator requested an extension to abatement time)

Point Range

-11 to -20

-1 to -10

0

- B. **DIFFICULT ABATEMENT** (The operator did not have the resources at hand to achieve compliance, or the submission of plans was required prior to physical activity to achieve compliance.)

Rapid Compliance

(Permittee used diligence to abate the violation.

Violation abated in less time than allotted.)

Normal Compliance

(Operator complied within the abatement period)

Extended Compliance

(Operator complied within the abatement period required,

or, Operator requested an extension to abatement time)

(Permittee took minimal actions for abatement to stay

within the limits of the violation, or the plan submitted

for abatement was incomplete.)

Point Range

-11 to -20

-1 to -10

0

EASY OR DIFFICULT ABATEMENT? _____

ASSIGN GOOD FAITH POINTS _____

PROVIDE AN EXPLANATION OF POINTS: _____

Violation not abated no good faith points awarded at this time.

V. ASSESSMENT SUMMARY (R647-7-103.3)

I.	TOTAL HISTORY POINTS	<u>0</u>
II.	TOTAL SERIOUSNESS POINTS	<u>32</u>
III.	TOTAL NEGLIGENCE POINTS	<u>16</u>
IV.	TOTAL GOOD FAITH POINTS	<u>0</u>
	TOTAL ASSESSED POINTS	<u>48</u>
	TOTAL ASSESSED FINE	<u>\$ 2,200.00</u>